

## Mandatory e-file... ...your e-file requirements

California

e file

Franchise Tax Board

[www.ftb.ca.gov](http://www.ftb.ca.gov)

### Mandatory e-file becomes law in California

The approved 2003-2004 budget contains a provision making e-file mandatory for returns prepared by certain tax practitioners (Assembly Bill 1756).

#### Key Points

- ☒ Two new sections added to the California Revenue and Taxation Code: Sections 18621.9 and 19170.
- ☒ The law takes effect on January 1, 2004.
- ☒ Per Section 18621.9, requirements apply to preparers who:
  - Prepared more than 100 timely original individual income tax returns that were filed during any calendar year beginning on or after January 1, 2003, and
  - In the current calendar year (beginning January 1, 2004), prepare one or more acceptable individual income tax returns using tax preparation software.
- ☒ Per Section 19170, the tax preparer is liable for a \$50 penalty for each individual income tax return that is not electronically filed, unless failure to do so is due to reasonable cause and not willful neglect.

For more information, visit [www.ftb.ca.gov](http://www.ftb.ca.gov).

Look for **Mandatory e-file** under the

**What's New** section of our **Tax Professionals** page.

### Join our e-file program today!

**Call:** (916) 845-0353  
Monday through Friday  
8:00 a.m. to 5:00 p.m. PST

**Fax:** (916) 845-0287

**Write:** e-file Program  
FRANCHISE TAX BOARD A-1  
PO BOX 1468  
SACRAMENTO CA 95812-1468

**Go online:**  
[www.ftb.ca.gov](http://www.ftb.ca.gov)